

DRIVER PAPER: SOCIAL IDENTITY

The views expressed in this and other papers associated with the NIC 2020 project are those of individual participants. They are posted for discussion purposes only and do not represent the views of the US Government.

DRIVER PAPER: SOCIAL IDENTITY
an issues paper
commissioned by the National Intelligence Council of the CIA
for the Budapest Seminar of the 2020 Study
28-30 April 2004

The brief for this paper asks for views on trends for social identity to 2020 under three principal headings:

- *How will religious and other social identity issues be manifest*
 - (a) *in public policy and*
 - (b) *Europe's relationship with the US?*
- *To what extent will the EU become an identity for the average European?*

A volatile moment: three assumptions are reversed or confounded

The paper wishes to propose that in each of the three perspectives, it looks already likely that future trends will be systematically different from those of the recent past, by which I mean the period up to 2002: two actually reversed, and one confounded. Working assumptions of the inter-regnum decade which followed the implosion of the USSR were three.

The first was that **toleration, interpreted as “multi-culturalism,” would increase.** Relativism would continue to be seen as a virtue in civil societies whose load-bearing cultural structure was forged from the post-war welfare commitments on health, social security payments, education and pensions. These provided a robust, shared, secular social democratic vision for the generation who had learned in the 1960s that God is Dead. Therefore religious identities could be as distinct as they liked because they were amusingly quaint to the vast majority of disinterested worshippers in the super-markets. Formal, received religion was a hobby like any other, and as such decreasingly politically potent. The fate of the cosmopolitan and much inter-married Yugoslavian elite in Sarajevo was the first storm warning on this issue, but ignored because the Balkans were considered to be outside the core of western Europe and so not felt to be strictly relevant to it. What a pity that Europeans so slackly forgot the role of the Balkans in their own history of the July Crisis of 1914.

It is already plain that, in the face of Islamist unconditional terrorism, toleration in open societies is returning to a more traditional, less soggy formulation. The January 2004 all party parliamentary report on the condition of immigrants in The Netherlands, itself a response to the assassination of Pim Fortuyn (who was in turn the most exciting and disturbing thing to happen in Dutch politics for a generation), concluded that the multicultural interpretation of toleration has failed. Immigrants were “at the top of all the wrong lists” for social exclusion, educational and economic failure. Henceforth they must learn Dutch, and make practical efforts to integrate into Dutch culture and society, and submit to the primacy of Dutch political values in public life. It was a watershed marker. Since then, Trevor Phillips, epitome of

Discussion paper -- does not represent the views of the US Government

political correctness and the Chairman of the British Commission on Racial Equality has declared multiculturalism a failure in preventing racialism. The Chief Rabbi has since endorsed the view that all faith communities should operate with “two languages” – meaning cultural as well as spoken languages. In France, the fragility and prominence of Republican symbols has led to the decision to forbid the wearing of the *hijab* (woman’s head-scarf) in schools and other public institutions.

The second assumption was that **whereas there were clearly distinctions between American and European goals and values, these were reducing** to amicable jokes about food and pronunciation within a continuing shared political concept of The West which NATO had expressed during the Cold War – the thing to which the former Warsaw Pact peoples yearned to return. The angry and noisy wave of popular protest from the active Left and anti-Israeli groups about American military interventions, first in Afghanistan, then in Iraq, was accompanied by a quieter and probably broader unease about these actions. This was especially so in a Germany now three generations socialised into the idea that force plays no role in international politics. However, this potent and widespread political anti-Americanism, which has luridly etched the differences between Europeans and Americans in this one narrow segment of life, fracturing the political resolve of The West, is not the whole story, for this assumption is confounded; for the reversal on the political agenda, especially on what to do about the Middle East, is not matched by a reversal of trend in socialisation. So what we witness is a European schizophrenia about America which does not exactly equate with, but does track, Rumsfeld’s mercilessly accurate distinction of “Old” and “New” Europe. This tension will not quickly resolve. It may be expected to be a source of sudden upsurges of emotion and of unsteadiness in strategic direction. Therefore it may be expected to be actively destabilising in Euro-American relations to 2020.

The third assumption was that as, like lovers, the European political elite flitted from Summit tryst to Summit tryst – from Maastricht to Amsterdam, from Laeken to Nice to Brussels – **the European “project” inexorably took on substance** and, in its own strange language, “competences” (*ie* power). The name changes from “EEC” to “EC” to “EU” told us this. The 60,000 – and counting – regulations of the *acquis communautaire* continued to gobble up new areas of power to over-rule national legislatures, and never disgorged any. The Euros in everyone’s pockets showed the daily reality of the European identity. And all the blue flags with stars, were plastered all over the place. Yet, surprisingly, by early 2004, it is now evident that the dream of “ever closer (federal) union” and the abolition of the constituent nation-states of Europe, first conceived on the battlefield of Verdun and pursued consistently ever since, will shortly face its Waterloo (the analogy being deliberately chosen since it is more than a literary conceit). In 2003 there occurred a fundamental change in American policy towards the European “project” – the first in fifty years - which will reliably have consequences long into the future. We are near the end of the “European Union” – a graft which never took onto the western European body politic any more than did the other *grand project* of social engineering, also conceived in those first

Discussion paper -- does not represent the views of the US Government

years of the last century, but applied more brutally to the body of Russia, and rejected a decade earlier.

Why has this happened? A perfect storm

I suggest that the common underlying reason why none of these assumptions holds now, whereas they previously seemed to be plausible, is because the period 2003-4 marked the functional end of the inter-regnum that followed the failure of the summer coup of 1991 in Moscow. A central aspect of this was American assumption of active power, which involved the change towards Europeans reflected in Rumsfeld's historic distinction between "old" and "new" Europe. In fact, as will shortly be explained, I suspect that the "tipping point" that has been tipping in terms of social identity across all of Europe (from the Atlantic to the Urals, as we were once fond of saying), is part of an historically unusual confluence of forces – a perfect storm. Although not strictly part of the brief for this paper, one should mention in passing that the era of "globalisation" as a dominant economic ideology seems also to have been blown away. The useful practicalities of global networking and outsourcing should not be confused with anything deeper. Few economic ideologies last for more than thirty years or so, unless assisted by state Terror (in which case, in the USSR for near-by example, a fake federation and command economy – you pretend to pay us and we pretend to work - was keep on its feet like the living dead gerontocrats of the Politburo, for sixty).

Framing considerations

Since 2002, I suggest that we can see three framing trends whose essential natures are decreasingly contentious and whose effects upon the identity questions to hand, have been already profound, and show all signs of continuing to be so:

- Arrival of the American imperial "moment" (the adjective is employed descriptively, merely; and it is a period of time, not a structure)
- Advancing erosion of the post-World War post-colonial state settlement, especially in sub-Saharan Africa, parts of former Austro-Hungarian east/central Europe and of the former Ottoman west/central Asia. The crisis of governance in Arab and Islamic lands is especially acute.
- Draining of power from *all three* of the post 1945 multilateral institutions, *viz.*, NATO, the United Nations and the European project (currently badged as "Union").

In a few words, the implication of the conjunction of these forces in the perfect storm of our times is that I see our moment as being one of General Crisis: the first since that of the 18th Century which gave us the unfinished conversations about the relative importance and strengths of rights and obligations that was prematurely curtailed by the success of the French Revolution. Asked once (some versions say, asked by Henry Kissinger) what he believed to be its significance Chou en-Lai replied that it was too early to say, which was indeed true in the 1970s. But after the cold war and inter-regnum, we can hazard a view. It was a technical success as a *coup d'état*, but

Discussion paper -- does not represent the views of the US Government

Discussion paper -- does not represent the views of the US Government

not a settled outcome, as Edmund Burke presciently warned would be the case, at the time, and as the succession of two Empires, five Republics, an absolutist Presidency, and the military defeats of 1757, 1815, 1871, 1914, 1940 (and occupation), 1953, 1955, 1957, have subsequently shown. This is one practical reason why confronted with a collapsing domestic regime the French instinct is to write another constitution. They did it domestically, routinely, and in 1991 as the European project went into crisis, decided to do the same to it. These conversations about rights and obligations and the construction of a social contract now reopen again - really for the first time since that time.

Our general crisis is one where identity questions are central, for it has the responsibility to protect human rights at its very heart, for the reasons which Kofi Annan eloquently expressed in his seminal essay on the two sovereignties in *The Economist* on 18th September 1999. “State sovereignty in its most basic sense is being redefined ... States are now widely understood to be instruments at the service of their peoples and not vice versa. At the same time, individual sovereignty – by which I mean the fundamental freedom of each individual, enshrined in the Charter of the UN and subsequent international treaties – has been enhanced by renewed and spreading consciousness of individual rights. When we read the Charter today, we are more than ever conscious that its aim is to protect individual human rights, not to protect those who abuse them”.

At once we notice how the arrival of the sovereignty of the individual at centre stage has two effects. First, it rebukes the relativist orthodoxy of the period 1960s-1990s. Human Rights are Universal; so if they are supreme, then they quash the special pleadings of cultural relativism. In particular the collision with traditional Islamic values, especially in respect of the disadvantaging of women, cannot but be bitter. The UNDP’s *Arab Human Development Report 2002*, prepared by a team of Arab economists, which documented the self-inflicted wounds from lack of freedom, lack of female emancipation and lack of contemporary innovation in the knowledge economy across the Arab world was as heartening – by the fact of being done - as it was depressing – in what it showed.

In western Europe, this “tipping point” is the apotheosis of the *soixante-huitards*; and we see their (our, let’s be frank, I was at school in Paris in 1968), conversion occurring both with the zeal of the lapsed jesuit and with immediate leverage on social discourse and on political power; for now is our moment on the throne. Let Joschka Fischer stand emblematic for his age cohort. I return to the practical implications below. Secondly, the sovereignty of the individual asks troubling questions about Agency: who/what is competent and legitimate to act for whom?

This contention between the “two sovereignties” is occurring in a crisis where four other features are of importance. First, it seems to me, as indeed to many other analysts, is that in both rich and poor societies – and for very different reasons in each – we are moving into ‘low trust societies’, as the industrial sociologist Alan Fox was first to describe. (The concept has more recently been popularised by Frank

Discussion paper -- does not represent the views of the US Government

Fukuyama.) The forces which are driving people back into themselves and reducing their confidence in public space and public probity cross a spectrum, from the spectre of unconditional terror which can blight public transport and city life, to the demonstrated and shared secular trend across most of the mature democracies of citizens to decline to participate voluntarily in formal political processes by voting: what is often described by sociologists as “engaged abstentionism”. It fuels the contradictory demands for instant gratification, for instant service and for universal and faultless infrastructure. Why? Because there is an eroded sense of common obligation or of *res publica*. (Why should I wait for anyone else? I have no responsibilities except to my dominating sense of my own self worth.)

This is in many ways one of the most interesting and powerful of trends: one deeply connected to the arrival of the information society and the emergence of the new type of citizen who is wired, informed, potentially phenomenally empowered but often, indeed perhaps usually, lives a physically isolated and politically passive life in which the expressions of political preference are more made at the supermarket till than at the ballot box. As the sociologist Anthony Giddens was among the first to notice, such people have unprecedented control over their own self-presentation – who shall I be today? Their identities are truly cosmopolitan because IT and the jet ‘plane have abolished, indeed pulverised, time and space. Everywhere looks the same to this elite, because it is: a Hilton is a Hilton is a Hilton. But these autistic Anglophone post-moderns demonstrate only one response to what Giddens usefully but excruciatingly calls the “disembedding” of identity.

Move across the spectrum a little and we find an embattled and confounded subgroup: French intellectuals. Whenever a nationalism is linguistically rooted, and it is more so the case for France than anywhere else in Europe, retreat in the language is quickly amplified into a more generalised cultural *anomie*. On every objective indicator of the world-wide advance of English and the Anglo-American business model, especially in Europe, the French elite have reasons to be afraid; and that fear has expressed itself with increasing vigour and rancour in recent times by what the commentator Dominique Moisi has named “aggressive defeatism”. It has expressed itself especially through the politics of the “European Union”, of which more in the final section of this paper. It was seen illuminatingly in the United Nations speeches of the previous Foreign Minister, Dominique de Villepin, during the 2003 Iraq crisis, in subdued fury when claiming ownership of the concept of *le droit de l’homme* which the British and Americans refused to concede.

Move to the far other end of the spectrum of reaction to post-modern dissolution of embedded identities and we encounter the flourishing fields of Christian revivalists and evangelicals in America, of fundamentalist rabbinical literalists in Israel and eventually the revived medieval desert of Sayyid Qutb and Osama bin Laden that demands the rectification of “the tragedy of Andalucia” (*ie* reversal of the loss of Granada in 1492 heralding the defeat of Moorish Spain. *)

* the video-tape left by the Madrid train-bombers reportedly referred to al-Andalus as “the land of Tarik bin Ziyad” – the first Arab leader to cross the Straits of Gibraltar in AD 711. For Islamists, as

Discussion paper -- does not represent the views of the US Government

All these fiercely reactive belief systems have encapsulation in common. Encapsulation is that social quality of any self-consistent belief system which can resist falsification by excluding external reality. They do this efficiently to the point where they break, which they always do catastrophically. Incidentally, all these developments imply a need for a fundamental renovation of political discourse that those presenting themselves at a formal democratic election offer to their electorates.

Thinking during a period of remission 9/11- 3/11: unconditional terrorism

Co-incident with the declaration of these trends has come a great cultural shock. One of the encapsulated belief-systems reacting to post-modernity dug deep into the fertile ground of the Qur'an. While it was the failure of President Bush the First and Colin Powell to complete the mandate of resolution 678 in 1991 by removing the Saddam regime at that time, which meant that US forces had to remain in Saudi Arabia to police the No Fly Zone, which pushed Bin Laden over the edge, and while it was President Clinton's "wag the dog" encumbrances in 1996 which may have deterred him from pre-empting when he could and should have done so, it was neither president who created Bin Laden's view of the world. That, the *salafiyya* tendency, is expressed insofar as there is one convenient and powerful source, in the thinking and writing of the terrifying Egyptian Qutb.

The reasons for jihad are these: to establish Allah's authority on earth; to arrange human affairs according to the true guidance provided by Allah; to abolish all the satanic forces and satanic systems of life...there are only two ways and not a third, either submit to Allah and his Messenger..or else to follow *jahiliyya*.*

Islam cannot accept any compromise with *jahiliyya*, either in its concept or in its mode of living derived from this concept. Either Islam will remain, or *jahiliyya*: Islam cannot accept or agree to a situation which is half-Islam, half-*jahiliyya*. In this respect, Islam's stand is very clear. It says that the truth is one and cannot be divided: if it is not truth then it must be falsehood..." (quotations from Sayyid Qutb, *Milestones*, American Trust Publications, 1990, p.57, pp 112-13)

This remorseless Manicheanism is classically encapsulated and as such, hugely reassuring to those within its shell. Inside this shell, one can move through and defy *jahiliyya* even as it forces you to compromise with it because it shapes all aspects of your daily life. Such is the world-view which underpinned the unconditional

for quite different reasons, for Chinese, time and memory move much more slowly than for amnesiac westerners.

* the form of government, beliefs and ways of life of non-Muslims. Broadly *dar al-harb* (the realm of war/unbelief)

Discussion paper -- does not represent the views of the US Government

terrorism of 9/11. The terrorism which we now encounter from these jagged shards of fundamentalist Islamism cannot be bribed, negotiated with or capitulated to (except by the prostrate self-abnegation of the *dhim* whose infidel life is lived only at the Caliph's gracious whim. Jews, by the way, can never be saved). It can only be contained, which is perilously difficult, as the Spanish recently discovered, or preempted: arrested if possible, killed if necessary.

I have spelled out a little of the nature of these beliefs in order to underscore two points, which answer the NIC's examination question. First, that those who enter the encapsulated world-view not only become capable of unconditional acts ("you love life, we love death" etc), but actively promote circumstances which will precipitate a clash of civilisations in which all Muslims are flung into their hands. Secondly, to suggest that in the no-go areas of the tawdry and barren slums of Algerians near Paris, and in other ghettoised pockets of unemployed Muslim youth (in the Netherlands, in the post-industrial wastelands of the British midlands), one can see the latent potential for huge and sudden rupture, with consequently commensurate impacts in public policy.

To date, this has not occurred. This is because we are in remission after 9/11, not for want of trying. 3/11 in Madrid was a partial end of the remission and a return to virulence. Its effects have been so surreally perverse that they merit a short section in a moment. But 3/11 was not the terminal end of remission. However, were the London Underground to be successfully attacked, I can imagine that the British State would be unable to avoid giving the Islamists exactly what they want; for Islam would have to become a proscribed religion, and mass internment of young Muslims would have to occur. This "wildcard" is depressingly easily to predict for some point before 2020. Eliza Manningham-Buller, current head of MI5, has done as much by stating that a major attack in Britain is "inevitable."

There is a converse of such acts, which may also be a trend to 2020; indeed, I rather expect it. The arising of the challenge of alienated and encapsulated fundamentalists may engender an equal and opposite reaction. It might precipitate more quickly the trend to rediscover old-fashioned identities, national – even patriotic – of which there is already real if still fragmentary evidence in many parts of the post-modern spectrum. Perhaps modernity isn't quite dead in Europe, yet? In this regard, we might anticipate a *rapprochement* with American cultural values even as divergence with political approaches to the Middle East, and the use of force, continue.

3/11 as a wildcard: bombing out a government; bombing out the EU

The confounded assumption about Euro-American relations – pulling in opposite directions - seems to me to be an especially significant one to watch. Recent events have shown the sort of dynamics we may expect. The Madrid bombings had two indisputable consequences. Al Qa'eda changed the result of a West European election: the Aznar Government was, without any doubt, bombed out of power and the Socialists, bombed in. Among the defeated Popular Party supporters, acid jokes

Discussion paper -- does not represent the views of the US Government

Discussion paper -- does not represent the views of the US Government

were shared about how Bin Laden would be offered the Foreign Ministry as a reward for his assistance. Zapatero's precipitate leap back into the arms of M Chirac then revived the passionate anti-American, anti-Israeli and – by a not very long step – anti-Semitic currents which had coursed through European public debate about “the Iraq war”, placed in inverted commas because it was so evident that it was valued and stimulated more as a vehicle for these deeper emotions than from concern for Iraqis.

Yet here lies the irony. For at the same time that the formal political disputes of transatlantic relations have shattered the notion of a united West - Americans really are from Mars and Europeans from Venus if we believe the opinion polls about how to deal with unconditional terrorism – the social behaviour of Europeans seems to be moving much more consistently in an American direction.

A British diplomat and celebrated enthusiast for European integration, Robert Cooper, became known to the public for an article (now amplified into a short book, *The Breaking of Nations*), which offered a superficially attractive tri-partite taxonomy of societies. “Pre-modern” societies described the chaos and poverty of much of the post-colonial world. “Modern” states were those like America and China where citizens still felt their personal identities strongly in patriotic terms, often seeing the Other as an enemy; but some “post-modern” societies had transcended that state-bound frame of reference. Archetypically, the peoples of the “European Union” had done this. Never again would the French and the Germans fight wars.

The General Crisis of 2002-4 has served to question this taxonomy, as we wonder how different Europeans really are; and 3/11 has also bombed this issue to the foreground. For better or worse, and thanks to Al Qa'eda, Cooper's suppositions about a transcending European identity are about to be put to an unexpected (and for European Federalists, dangerously exposed) test.

To what extent will the EU become an identity for the average European?

The lesson which Jean Monnet and his friend Arthur Salter, the two true fathers of the European Union, learned from the failure of Aristide Briand's frank attempt in the late 1920s to form a European federal state which subsumed and superseded the pre-existing independent states of Europe was that this shared goal could only be achieved by stealth: by an indirect approach. The consequent three generations' long history of the *grand projet* has therefore been a game of Grandmother's Footsteps: each move really being about something else, namely advancing to the ever closer union without saying so.

But suddenly, the “EU” is falling victim to the too hasty and overreaching ambitions of the policy elites who subscribe to that project. Witness the profound troubles of the Euro, which will only increase for simple structural reasons, the rancorous attempt to write a federal constitution and the puzzling difficulty, even impossibility, of extending new suzerainty over the recently liberated and restless eastern Europeans,

Discussion paper -- does not represent the views of the US Government

whose entry to the EU was Britain's rear-guard diplomatic triumph over the French. But more fundamentally than in these specifics, the "EU" has fallen victim to its failure in the last 50 years to achieve anywhere in its existing core a place for a transcending European identity in the hearts and visions of the citizens of European countries. Now that cold winds blow, in increasing numbers, and in many countries, they spurn it. The open borders become a problem, not a solution. Witness the general stampede to erect barriers against free movement of the new entrants. Being "European" is not the same as having an "EU" identity.

Before 3/11, the EU was already fracturing. Just as Colonel Nasser had been the recruiting sergeant for the Treaty of Rome in March 1957, so Saddam Hussein was its disintegrator, as the 2003 Iraq crisis laid bare the irreconcilable differences of world-view among Europeans, and demonstrated the weakness of the "Old" European core. But underlying the trigger event was a longer run trend: its continuing – indeed deepening - lack of democratic legitimacy. The European Union is an elite project which has never been assented adequately in any state. The ponderous EU *directoire* is like a veneer lying upon but not stuck to the table. And on past record, it does not deserve trust. One Commission (Santer) has had to go in disgrace; the mounting evidence on the Eurostat debacle is that members, at the least, of the present Commission (Prodi) will have to go too. The temptations to lazy corruption in such an expansive and opulently funded bureaucracy, in surreally grand buildings – the latter-day Versailles parachuted onto Brussels – and staffed by political patronage, are too great for ordinary mortals to resist.

The public are increasingly unimpressed and show it. Eurobarometer polls show a decade-long increasing disenchantment with "Europeanness". Fully two thirds of the British cannot see the point of the European Union, and, if Blair offers (is forced to offer) them a referendum, will say so. But significantly for this study, it is not just the usual suspects who feel this way. Across the continent, the younger age cohort is *far less* enthusiastic than its parents, the *soixante-huitards*, who in turn are less enthusiastic than the war-time generation. All this despite the sluicing of public money and pro EU propaganda into schools and universities where the EU's "Departments of European Studies" with their Jean Monnet Chairs, simply fail to attract students.

Europeans consistently refuse to vote for (*ie* confer legitimacy upon) the European Parliament. The two key referenda of the 1945-2003 period were the French Maastricht vote, approved by barely 1% - this in the country for whose benefit the whole thing was set up, as de Gaulle candidly once explained: "Europe is a means for France to regain the stature she has lacked since Waterloo as the first among the world's nations.." - and the 2003 Swedish rejection of the Euro. This was important for the quality of the vote in one of the most socially cohesive and successful societies, 2nd in the UN Human Development Index, as well as the nature of the vote – a deeper rejection than of the Euro only.

Discussion paper -- does not represent the views of the US Government

That demands a comment. The Euro has become the first major strut to break. There is no unified “Euro-zone” that will map onto that of the political project and there is unlikely to be in the next decade. So this indispensable actuator of the Project has been vitiated. It is a predictable consequence of the too-hastily accelerated introduction of a shared currency for reasons openly stated by the President of the Commission Prodi, to be not economic at all, but deeply political. All the key economic pre-requisites (labour mobility, convergent economic cycles, convergent taxation and property owning traditions) were, therefore unsurprisingly, absent. The political deal by Kohl to allow the launch rate to be set knowingly against German need in order to let the southern tier in, was, of course, a great risk; a risk that has not paid off. There are now three (and only three) choices: a switch to German-favouring interest rates with dire consequences for the southern tier and Ireland; German denunciation and a return to the Mark and an independent Bundesbank – likely to be electorally popular given that 2/3 of Germans would have rejected the Euro had they been asked (which is why they weren’t), but presently deemed inconceivable - or busting the Growth & Stability Pact rules, which is what is being done: debauching of the currency. But look at the long view. The Euro might well fail; and in the long view, that is neither unexpected nor particularly important. In history, currencies come and currencies go. Far more significant from the Swedish vote has been the lesson to the Accession states that “inevitabilism” is not inevitable, after all. They may have signed all sorts of agreements as a condition of entry; but they may decide to follow the constant French and more recent German lead and simply ignore them.

Dutch fury at the French and German wrecking of the Euro Stability Pact is now thought likely to turn into a rejection of the Giscardian federal constitution at referendum. The original Six are breaking. Were they to be given a chance, the British would vote heavily against, also. Europeans, in short, have not and never have had, consistently, the fabled *esprit communautaire*. The Dutch did, for a bit, and gave up the second strongest European currency after the Swiss Franc, in that spirit, which they now repent. Europeans are what they are: Dutch, Danes, Germans or Greeks, Italians and, especially, French in the terms with which former Prime Minister Bérégevoy, echoing De Gaulle, commended the Maastricht Treaty to the *Assemblée Nationale* to “make Europe without un-making France.” The British remain what Winston Churchill said they were: “with but not of” Europe. Ever since they joined, they have been unhappily part of the French project. De Gaulle was of course right to veto the British application. If they joined, they would eventually rain on his parade. Indeed, had Nasser not nationalised the Suez Canal and had Eisenhower not cut off Eden at the knees, quite probably, Britain would never have joined. A key index of the untransformed nature of Europe is the tiny percentage of EU citizens living outside their native countries. Basically the very rich and the very poor. The other is the interesting evidence of how unimportant the EU has been to the current success of the most energetic (British) economy – except as a negative drag though over-regulation, destruction of its agriculture, fisheries etc.

All this is an aspect of the deeper malaise of late modern, alienated electorates as well as the structural flaws in the Brussels *directoire*. In short, this over-badged Project

Discussion paper -- does not represent the views of the US Government

Discussion paper -- does not represent the views of the US Government

simply is not grafting into the natural frame of reference of Europeans. At best it is a nice gravy train (in Dublin or Athens) while it lasts. And why should it? It has recently been calculated that in real terms, Germany has now paid as much in support for the EU since the end of the Third Reich, mainly flowing into support for French agriculture via the CAP, as was extracted as reparation after the First World War. This is unlikely to continue much longer. There is no accident in the skewed benefits of the CAP, nor that the Netherlands, with one third of the population, contributes six times the amount of France to EU funds. Aware of the threats to their creation, the French elite have actually hastened its undoing.

Given that the strategic objective remains that (in de Gaulle's, as ever memorable, image) "the skilful French rider shall ride the sturdy German horse", unseated by reunification and the German return to active foreign policy over the Balkans, the rider needed a new strategy to re-mount and re-gain control. This was the French 1990s policy of acceleration, (accelerated monetary union, the rush to the Giscardian federal constitution etc). The non-French elite, often superannuated national politicians and the raft of Eurocrats, whose jobs and pensions now depend on the merry-go-round going round, assented and they have driven the federal agenda forward in *inverse* relationship to the evidence of public assent and support, which is a very precarious thing to do in democracies. To the evident relief of the non-federalist majority, the Poles and Spanish blocked Giscard's botched constitution at the Brussels IGC last November. Then came 3/11.

Al Qu'aeda has bombed the Constitution back onto the immediate agenda. Zapatero having capitulated on voting weights, the Poles will do a deal and the whole thing returns during the Irish Presidency. Blair, who needs to think about his next job, quickly decided to sign, appropriately enough on 18th June – Waterloo Day. But whose Waterloo will this be? If we are to use battle imagery, this latest extravagant federal *démarche* breaks Monnet's basic rule – the Rule of Stealth. The federal project is openly exposed for what it is, and Europeans in increasing numbers do not like what they see. As such, the push for the constitution is likely to bring Europeans to a tipping point, of which the Swedish referendum was a pre-figuring. It is, in short, a bridge too far.

I see no serious reasons to think that by 2020 Europe will be other than what it has always been, namely Europe (not the "European Union"). And if Islamist unconditional terror strikes again, as I assume that it will before its time is over, I think the chances rise that the combination of Western cultural common cause and Eastern European political preference will produce rapprochement with the USA.

The result of Waterloo, in short, will not be reversed. The worse the visible evidence of terrorism becomes, the more extreme becomes the tension within European schizophrenia about the USA and the more likely the defeat of the hopes of swan-song Gaullism. However, as the Iron Duke found to be the case in 1815, it may be "... a damned nice thing - the nearest run thing you ever saw in your life."